

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION**

Wednesday, November 16, 2022

The Board of Administration met on Wednesday, November 16, 2022 in the Lincoln Plaza North Building, Feckner Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 9:00 a.m. and the following members were present:

Theresa Taylor, President
Rob Feckner, Vice President
Frank Ruffino for Fiona Ma
Lisa Middleton
David Miller
Eraina Ortega
Jose Luis Pacheco
Ramon Rubalcava
Mullissa Willette
Dr. Gail Willis
Betty Yee

Board of Administration Members excused: None

AGENDA ITEM 3 – PRESIDENT’S REPORT

President Taylor recognized and thanked the veterans for their service. President Taylor thanked Betty Yee and Rob Feckner for their service on the Board and for their years as public servants.

PUBLIC COMMENT:

Nadine Franklin, CSEA Member, thanked Rob for his years of service.
Susan Adams, CSEA Member, thanked the entire Board and Rob.
Carla Held, CSEA Member thanked Rob for his years of service.
Teri Minoux, CSEA Member, thanked Rob for his service.
Christina Beruman, CSEA Member, thanked Rob for his service.
Cheryl Carter, CSEA Member, thanked Rob for his service.
Martha Penry, CSEA Member, thanked Betty and Rob for their service.

AGENDA ITEM 4 – EXECUTIVE REPORT

a. Chief Executive Officer’s Report

Ms. Frost thanked Betty Yee and Rob Feckner for their time spent on the Board and years of service.

Ms. Frost thanked the Board Members who attended the Education Forum.

Ms. Frost reported on the following:

- The Annual Education Forum
- ESG Risk Analysis

AGENDA ITEM 5 – CONSENT ITEMS

Action Consent Items

- a. Approval of the September 21, 2022 Board of Administration Meeting Minutes
- b. Board Travel Approvals
- c. Approval of the November 16, 2022 Board of Administration Timed Agenda

On **MOTION** by Rob Feckner, **SECONDED** by Jose Luis Pacheco and **CARRIED**, with a roll call vote, the Board approved Action Consent Items 5a, 5b and 5c.

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Theresa Taylor			X
Betty Yee	X		

AGENDA ITEM 6 – CONSENT ITEMS

Information Consent Items:

- a. Board Meeting Calendar
- b. Draft Agenda for the February 14, 2023 Board of Administration Meeting
- c. General Counsel’s Report
- d. Communications and Stakeholder Relations
- e. 2021-22 Fiscal Year-End Compensation for Statutory Positions

AGENDA ITEM 7 – COMMITTEE REPORTS AND ACTIONS

- a. Investment Committee

David Miller, Chair, Investment Committee presented the Committee Summary report to the Board. The Committee met on November 14, 2022.

Additional information may be found in the November 14, 2022 Agenda materials and transcripts of the Committee meeting.

The next meeting of the Investment Committee is scheduled for March 13, 2023 in Sacramento, California.

b. Pension and Health Benefits Committee

Rob Feckner, Chair, Pension and Health Benefits Committee presented the Committee Summary report to the Board. The Committee met on November 15, 2022.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the revised proposed regulation to define limited duration employment with a 15-day public comment period, followed by submission of the final rulemaking package to the Office of Administrative Law (OAL) upon conclusion of the comment period, if no public comments are received. (PHBC Item 5a)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the California Public Employees' Retirement System (CalPERS) team recommendation approving the following proposals in our Preferred Provider Organization (PPO) and Health Maintenance Organization (HMO) programs for the 2024 plan year:

- 1) Site of Care Member Incentive Program for Labs (PPO Basic Plans)
- 2) Pharmacy Mail-Order Opt-Out Program (HMO's using OptumRx Pharmacy Benefit and PPO Basic Plans) (PHBC Item 5b)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

Additional information may be found in the November 15, 2022 Agenda materials and transcripts of the Committee meeting.

The next meeting of the Pension and Health Benefits Committee is scheduled for March 14, 2023 in Sacramento, California.

c. Finance and Administration Committee

Lisa Middleton, Chair, Finance and Administration Committee presented the Committee Summary report to the Board. The Committee met on November 15, 2022.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the November 2022 Prospective Report of Solicitations, Contracts, Purchase Orders and Letters of Engagement. (FAC Item 3c)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

PUBLIC COMMENT:

JJ Jelincic, Retiree, provided comment on the return of record and transparency.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved an additional one-year contract term extension for the investment office contracts without a defined duration. (FAC Item 3d)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved to extend the Board’s Independent Counsel for Administrative Hearings contract for an additional five-year term. (FAC Item 3e)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the revised budget policy. (FAC Item 3f)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved a \$112.1 million increase for a revised total budget of \$2.185 billion. (FAC Item 5a)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

Betty Yee	X		
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On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the draft CalPERS 2021-22 Basic Financial Statements. (FAC Item 5b)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

Additional information may be found in the November 15, 2022 Agenda materials and transcripts of the Committee meeting.

The next meeting of the Finance and Administration Committee is scheduled for February 2023 in Sacramento, California.

d. Performance, Compensation and Talent Management Committee

The Committee did not meet.

The next meeting of the Performance, Compensation and Talent Management Committee is scheduled for February 2023 in Sacramento, California.

e. Risk and Audit Committee

Lisa Middleton, Chair, Risk and Audit Committee presented the Committee Summary report to the Board. The Committee met on November 15, 2022.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved CalPERS Board of Administration's Independent Financial Statement Auditor's Report, and the accompanying required reports for the fiscal year ended June 30, 2022. (RAC Item 5a)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		

Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the CalPERS Board of Administration's (Board) Independent Financial Statement Auditor's (Independent Auditor) Management Letter for the fiscal year ended June 30, 2022. (RAC Item 5b)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

The next meeting of the Risk and Audit Committee is scheduled for February 2023 in Sacramento, California.

f. Board Governance Committee

Rob Feckner, Vice Chair, Board Governance Committee presented the Committee Summary report to the Board. The Committee met on November 15, 2022.

On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the current CEO Delegation Resolution as presented in the agenda item. (BD GOV Item 4b)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X

Betty Yee	X		
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On **MOTION** by Committee, and **CARRIED**, with a roll call vote, the Board approved the proposed revisions to the Full Board Hearing Procedures as presented in Attachment C of the agenda item with the exception that the time limits for the parties' presentations and rebuttals will remain at 15 and five minutes, respectively. With those changes, the revised document recommended for Board approval is attached hereto.

(BD GOV Item 5a)

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

The next meeting of the Board Governance Committee is scheduled for March 14, 2023 in Sacramento.

AGENDA ITEM 8a – PROPOSED DECISIONS OF ADMINISTRATIVE LAW JUDGES

On **MOTION** by Rob Feckner, **SECONDED** by David Miller, and **CARRIED**, with a roll call vote, the Board moved to adopt the proposed decision of Administrative Law Judges (ALJ) for Agenda Items 8a1 through 8a13 as the Board's own decisions with the following minor modifications argued by staff to Agenda Items 8a4, 8a5 and 8a7.

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

AGENDA ITEM 8b – PETITIONS FOR RECONSIDERATION

On **MOTION** by Rob Feckner, **SECONDED** by Jose Luis Pacheco, and **CARRIED**, with a roll call vote, the Board moved to deny the petitions at Agenda item 8b1 and 8b2.

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

AGENDA ITEM 8C – STATE LEGISLATIVE PROPOSAL: TECHNICAL AND CLARIFYING AMENDMENTS TO THE PUBLIC EMPLOYEES’ RETIREMNT LAW

On **MOTION** by Betty Yee, **SECONDED** by David Miller, and **CARRIED**, with a roll call vote, the Board moved to approve the following three items: Emerging Manager Program Objective, the definition of emerging manager, and the definition of diverse manager.

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

AGENDA ITEM 9a – STATE AND FEDERAL LEGISLATION UPDATE

Danny Brown, Chief of Legislative Affairs, provided the State Legislation update. Dan Crowley and Karishma Page provided the Federal Legislation update.

PUBLIC COMMENT:

William Cunningham provided comment suggesting CalPERS to protect the ESG work from the risk-elevating impacts of any efforts to reverse ESG investing.

AGENDA ITEM 9b – SUMMARY OF BOARD DIRECTION

No direction was given.

AGENDA ITEM 9c – PUBLIC COMMENT

JJ Jelincic encourages the Board to come into compliance with the law for future elections. Neal Johnson, retired member, thanked Rob Feckner and Betty Yee for their service on the Board.

AGENDA ITEM 10 – APPROVAL TO MEET IN CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 11126(C)(18)(A)

On **MOTION** by David Miller, **SECONDED** by Jose Luis Pacheco, and **CARRIED**, with a roll call vote, the Board approved to meet in closed session.

Name	Yes	No	Abstain
Rob Feckner	X		
Frank Ruffino for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Dr. Gail Willis	X		
Theresa Taylor			X
Betty Yee	X		

The Public meeting recessed for lunch at approximately 11:31 a.m. followed by closed session.

Following closed session the Public meeting reconvened in open session at approximately 1:43 p.m.

The Board reported that it met in closed session and received an Information Security and Cybersecurity Briefing and took no action.

The Public meeting adjourned at approximately 1:44 p.m.

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION**

Wednesday, November 30, 2022

The Board of Administration met via teleconference on Wednesday, November 30, 2022.

The meeting was called to order at approximately 9:00 a.m. and the following members were present:

Theresa Taylor, President
Rob Feckner, Vice President
Kathryn Asprey for Fiona Ma
Lisa Middleton
David Miller
Eraina Ortega
Jose Luis Pacheco
Ramon Rubalcava
Mullissa Willette
Lynn Paquin for Betty Yee

Board of Administration Members excused: Dr. Gail Willis

AGENDA ITEM 2 – COMPENSATION POLICY WORKSHOP AND PROPOSED CHANGES TO PEER COMPARATOR GROUPS AND SALARY ADJUSTMENT MATRIX

Peter Landers and Brad Kelly with Global Governance Advisors (GGA) provided an update that covered various components of the Board's Compensation Policy for executive and investment management positions.

PUBLIC COMMENT:

Randal Cheek provided a public comment about compensating all CalPERS employees.

On **MOTION** by Jose Luis Pacheco, **SECONDED** by David Miller, and **CARRIED** with a roll call vote, with one no vote by Eraina Ortega, the Board approved GGA's recommended blended group weighting for the existing policy-defined comparator group for investment management positions of two-thirds public pension funds and one-third private sector organizations; and one-third public pension funds, one-third public sector agencies, and one-third private sector organizations for the non-investment executive management positions.

Name	Yes	No	Abstain
Rob Feckner	X		
Kathryn Asprey for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		

Eraina Ortega		X	
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Theresa Taylor			X
Betty Yee	X		

PUBLIC COMMENT:

JJ Jelincic provided public comment on transparency of board meetings.

On **MOTION** by Rob Feckner, **SECONDED** by David Miller, and **CARRIED** with a roll call vote, the Board approved GGA’s recommendation to normalize the assessment of base pay performance adjustments by expanding the original four-level assessment rating to the proposed five-level standard, as illustrated by the “Recommended Matrix” in GGA’s slide deck and changing the language from “occasionally meets expectations” to “inconsistently meets expectations.”

Name	Yes	No	Abstain
Rob Feckner	X		
Kathryn Asprey for Fiona Ma	X		
Lisa Middleton	X		
David Miller	X		
Eraina Ortega	X		
Jose Luis Pacheco	X		
Ramon Rubalcava	X		
Mulissa Willette	X		
Theresa Taylor			X
Betty Yee	X		

AGENDA ITEM 3 – PUBLIC COMMENT

Randal Cheek provided a public comment about bringing more of the work to be in-house at CalPERS.

The Public meeting adjourned at approximately 1:10 p.m.

Prepared by: KARA BUCHANAN
Committee Secretary

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
MINUTES OF MEETING
OPEN SESSION
Tuesday, January 17, 2023**

The Board of Administration met on Tuesday, January 17, 2023, in the Lincoln Plaza North Building, Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at approximately 9:00 a.m. and the following members were present:

Theresa Taylor, President
Malia Cohen
Frank Ruffino for Fiona Ma
Lisa Middleton
David Miller
Eraina Ortega
Jose Luis Pacheco
Kevin Palkki
Ramon Rubalcava
Yvonne Walker
Mullissa Willette

Board of Administration Members excused: Dr. Gail Willis

The Board re-elected Theresa Taylor as CalPERS Board President.

The Board elected David Miller as CalPERS Board Vice President.

Action Item – Proposed Decisions of Administrative Law Judges

On **MOTION** by David Miller, and **CARRIED**, the Board moved to adopt the proposed decisions of Administrative Law Judges (ALJ) for Agenda Items 8a1 through 8a14 as the Board's own decisions with the minor modification as argued by staff to Agenda Items 8a2, 8a6, 8a7, 8a11, and 8a14.

ACTION ITEM – BOARD TRAVEL

On **MOTION** by David Miller, **SECONDED** by Jose Luis Pacheco, and **CARRIED**, the Board moved to approve the Board travel.

ACTION ITEM – SALARY RANGE ADJUSTMENT FOR CHIEF ACTUARY, CHIEF HEALTH DIRECTOR, CHIEF FINANCIAL OFFICER, AND GENERAL COUNSEL POSITIONS

On **MOTION** by David Miller, **SECONDED** by Jose Luis Pacheco, and **CARRIED**, the Board approved the salary range adjustment for Chief Actuary, chief Health Director, Chief Financial Officer, and General Counsel.

The Public meeting adjourned at approximately 6:30 p.m.

Prepared by: KARA BUCHANAN
Committee Secretary

MARCIE FROST
Chief Executive Officer